

AGENDA ITEM X-F

Consideration of proposing amendments to Section 7.4 of Board rules, concerning the addition of the Accrediting Council for Independent Colleges and Schools (ACICS) to the list of accrediting agencies recognized by the Board and thereby exempting private institutions accredited by ACICS from the requirement to hold a certificate of authority to grant degrees in Texas (First Consideration)

RECOMMENDATION:                      The Board not adopt amendments to Section 7.4 of the Board's rules

Summary:

The Accrediting Council for Independent Colleges and Schools (ACICS), a national accreditor of "private postsecondary institutions offering programs that are designed to train and educate persons for careers or professions where business applications . . . support or constitute the career," has requested that the Board extend "recognition" to it under provisions in the Board's rules. Approval of that request would require that Section 7.4(a) of the Board's rules be amended to add ACICS to the list of recognized accreditors.

The Coordinating Board has the responsibility to approve the granting of degrees by private postsecondary institutions which are not accredited by an agency the Board recognizes for exemption under the certification law (Texas Education Code, Chapter 61, Subchapter G). This law is designed to protect citizens of Texas from being deceived by fraudulent or substandard degrees and to protect the integrity of degrees issued by legitimate institutions in the state. Chapter 7 of the Board's rules implements this statute.

The statute anticipates a temporary oversight of these institutions by requiring the institutions to seek and gain accreditation by an agency recognized by the Board. Likewise, institutions that are accredited by an agency recognized by the Board do not have to seek from the Board the authority to operate in the state, though institutions accredited by recognized accreditors must have their branch campuses in Texas approved by the Board. The "recognition" the Board extends is a decision by the Board that the accrediting agency has standards and practices that assure that any institution accredited by the accrediting agency meets the standards of the Board. In effect, the recognized accreditors serve as a proxy for the oversight of the Board.

Section 7.5(f) of the Board's rules (related to Recognition of Accrediting Agencies) specifies the principles for recognizing accreditors. That section states:

The Board recognizes accrediting agencies for purposes of this section provided they can demonstrate they meet the criteria listed below.

(1) The accrediting agency must be recognized by the Council for Higher Education Accreditation or its successor and by the United States Department of Education.

(2) The accrediting agency's standards must be at least as comprehensive and rigorous as the standards listed in Section 7.7 of this title (relating to Standards for Nonexempt Institutions) and be as rigorously applied.

*General Recognition by CHEA and by the Federal Government*

The first subsection limits the accreditors eligible for review to those who have some general recognition of legitimacy within the general academic community, as determined by the Council for Higher Education Accreditation (CHEA) and the United States Department of Education. Each of these recognitions is related to meeting certain expectations of quality, which recognizes accreditors for the specific purpose of approving institutions to participate in federal student loan programs. Such recognitions, providing some assurances for purposes of student loan participation, or for enhancing the quality of an institution so accredited, do not cover the breadth of issues involved in the Board's recognition process. Therefore, although these recognitions are important prerequisites to the Board's own analysis, they do not substitute for the Board's process.

*The Board's Standards*

The Board's standards (see following pages) are consistent with standards applied by all the regional and several other accrediting associations that accredit most of the colleges and universities in the United States. However, they are the Board's own standards and are not dependent on the decisions of accreditors' actions. These standards cover all aspects of the operation of an institution, including governance, financial stability, qualifications of institutional staff, curricular design, library resources, adequacy of facilities, student support services, and other matters.

*This Particular Request*

The institutions accredited by ACICS are currently subject to regulation under the provisions of the career schools and colleges law (TEC, Chapter 132), which is administered by the Texas Workforce Commission. The ACICS schools that grant degrees in Texas have their associate degrees approved by the Board under the provisions of Chapter 12 of the Board's rules.

One consequence of recognition of ACICS would be that any school accredited by ACICS at the bachelor's level or higher would become exempt from the oversight of the Texas Workforce Commission and the Board's Chapter 12 oversight. That exemption may have a consequence unintended by the Legislature when they provided for the regulation of career schools and colleges under TEC Chapter 132. Importantly, any institution so exempted would cease contributing to the Tuition Trust Fund, which protects students from financial loss if schools close. Students at ACICS-accredited schools would no longer be covered by that fund should their school close.

*Review Process*

The staff formed an *ad hoc* advisory committee to help evaluate the ACICS request and materials sent in support of that request. The committee was asked to consider 1) if ACICS has standards that are as comprehensive and rigorous as the standards of the Board in Chapter 7

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and 2) if ACICS applies its standards as rigorously as the Board applies its standards in Chapter 7. The committee consisted of members from the Board's Certification Advisory Council, which, by law, are charged to advise the Board on issues related to the Chapter 7 rules, and various types of institutions operating in Texas: universities, community and technical colleges, and career schools and colleges. The Committee met on March 26, 2004 and examined materials submitted by ACICS, materials prepared by the staff, and testimony from the staff and interested parties, including a representative from ACICS and representatives of institutions accredited by ACICS. The committee roster is included as a white page.

The *ad hoc* advisory committee examined five standards the ACICS *Accreditation Criteria*, heard from the staff and heard from a representative from ACICS and questioned both the staff and the ACICS representative. The committee found that the *Criteria* of ACICS were not as rigorous as those of the Board, with particular attention given to the standards on governing boards, faculty qualifications, and libraries. The vote on that finding was 8 for and 0 against, with 3 abstentions. The committee chose to not address the question of the rigor of application of the ACICS standards, citing their first finding as rendering the second question unnecessary. The staff concurs with the findings of the advisory committee.

Impact (including fiscal):

There will be no fiscal implications to state or local government.

Legal Consideration:

Approved by the Office of General Counsel \_\_\_\_\_

Date: \_\_\_\_\_

The proposed amendments have been prepared in the following format:

- New language is in lowercase, underlined, and shaded.
- Deleted language is bracketed and struck through.
- When new language replaces deleted language, the new language precedes the deleted language.